



Connecting committed NPSCP staff

THE NPSCP

NECESSARY AND APPROPRIATE NEWS

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Editors Note: We hope you find this Newsletter informative. Please feel free to submit ideas and articles to Laura Shearin at laura_shearin@nps.gov. The deadline for submissions will be March 31, 2003.

The Start of Something New?

Here is the first version of an outreach document inspired by your feedback regarding the desire for increased communication between parks, regions and Washington. Our goal is to publish this newsletter twice a year and provide a forum for progress, successes and new ideas occurring with the National Park Service Concession Program (NPSCP). Presently many of our contributors are the Regional concession chiefs. However, as we continue in this endeavor, we hope to gain some "field" correspondents who are eager to share interesting information with your colleagues. Grab a cup of coffee, find a quiet place and relax for a moment and find out what is going on in the world of concessions outside your park.

Cindy Orlando

Chief Concession Program



Regional Notes

Alaska Region

Kevin Apgar, Chief Correspondent



The Alaska region is planning and executing contracts and leases. Hunting guide contracts top the list as the major type of contract with two executed, two pending and several in planning. One of our most significant efforts was the successful execution of the Denali Bus Transportation contract. On July 29th the region



announced the contract award to a joint venture team of Doyon (Alaska native corporation) and ARAMARK, the current concessioner. The contract term is ten years with a 15 percent franchise fee. The region also executed our first lease under the new leasing regulations (36 CFR Part 18). Glacier Bay is preparing five prospectuses for an assortment of outfitter and guides and boat rental operations. Katmai and Denali also have several contracts under development in the same areas. The Alaska region dealt with a PI to LSI transaction and the first round of determining eligible improvement expenses for LSI at Kaitmailand.

On the personnel front, Alaska's loss will be Arizona's gain as Nick Hardigg assumes the title of Grand Canyon Chief of Concessions. Also, Wrangell St. Elias NP may be creating a new position for a concession specialist (probably a GS 9 or 11, not certain which yet) this year. Funding is not firm; so don't expect an announcement until the second half of FY03. This could be an exciting opportunity for someone wanting an Alaska experience.

Pacific West Region

Tony Sisto, Chief Correspondent



In addition to undertaking due diligence for prospectus development, the Pacific West Region is dealing with transition issues. Both Crater Lake Lodge and Oregon Caves

are undergoing this process. The region can share a great deal regarding lessons learned from these two contracts.

The region is undertaking franchise fee reconsideration issues at several parks. Olympic National Park is working with the region on four contracts, including lodging and river tours.

Finally, the region was well represented at the latest contract training course which included course instruction by Darby Watson and participation by Melody Krueger, Kris Meredith, Lisa Hilt, Kim Gagliolo, George Bonham and Mac Foreman.

Intermountain Region

Judy Jennings, Chief Correspondent



The region and parks have successfully issued 32 contracts this year, the majority being Category III contracts. The region is currently setting up a program using MS Project to track contracting processes in this region. Carol Bennett is integrating our database and developing spread sheets and reports on the status of all contracting. This tool will allow parks and the region to follow the progress of each contracting action.

On the Category I front, park staff at Grand Teton and Rocky Mountain are working diligently on the contracts for the Grand Teton Lodge Company, Signal Mountain Lodge and the Trail Ridge Store. Site visits for potential offerors have been completed for Yellowstone Medical Services contract at Yellowstone, the Trail Ridge contract at Rocky Mountain National Parks, and the Signal Mountain Lodge and Grand Teton Lodge Company contracts at Grand Teton. These site visits have been successful in providing an opportunity for companies to visit the facilities and get an overview of the "back of the house" operations. We hosted approximately 30 people at the Rocky Mountain site visit and 10 people at the Yellowstone site visit. The contracts at Grand Teton attracted approximately 25 attendees representing nine companies. Two other companies would have attended but were caught in an early season snowstorm!

The Concessions Contract for merchandising and food service in Yellowstone, (previously the Hamilton Stores contract) was awarded to Delaware North.

Midwest Region

Sandy Poole, Chief Correspondent



The Midwest region is actively working through our contracting backlog. We recently released a prospectus for 26 canoe concessions at Buffalo



National Park. A Herculean effort was put forth by Linda Nommenson to get the prospectus on the street. Of course when it rains it pours, and in the Midwest region, things wouldn't be exciting if you couldn't throw a contract transition into the mix of things. Scott Lopez, Chief Ranger, played a critical role in helping the transition occur at Badlands National Park. Currently, Forever Resorts is assuming oversight of the operation. On the Chief Ranger front, Mike Pflaum at Mount Rushmore has worked actively with PricewaterhouseCoopers ('PwC') in undertaking the analysis for the food and beverage and retail contract at this location. Barclay Trimble of the CPC has been providing critical support to the region in undertaking franchise fee reconsideration as well as franchise fee assessments at Buffalo National River and Mount Rushmore. Tracey Simmons assisted Sandy in providing a contracting summary for all the parks in the region. This summary provided the foundation for a regional contracting strategy.

Northeast Region

Jerry Swofford, Chief Correspondent



The Northeast Region has several new faces in the Concessions program. Liz Weston arrived at Acadia and Marie Killian has landed at the Philadelphia office to provide support for many of the contracting initiatives. Condition assessments are being conducted at Fire Island for overnight accommodations and at Gateway for driving range facilities. Several contracts have been awarded over the last year including golf course facilities and snack bar facilities at Cape Cod, retail facilities at Colonial National Historic Park, ferry service at Fire Island, a riding academy at Gateway National Recreation Area and tour bus services at Eisenhower National Historic Park. So, if you're looking for interesting proposal package questions to redesign for your parks, the Northeast region probably has a couple you can look at! This summer and fall found the Statue of Liberty and Ellis Island team working with the PwC team to identify and quantify the impact of 9/11 on the concessioners.

Additionally, this park is beginning the process of a tourism/commercial services plan for visitor services. Finally, Lynn Koser chaired the Acadia Food Service and Retail contract evaluation panel this summer. The incumbent concessioner, Acadia Corporation, was selected as the best offeror.

National Capital Region

Steve LeBel, Chief Correspondent



The past six months included the departure of Skip Larson and the introduction of Steve LeBel as the new Concessions Chief for the region. Wanda

Washington moved from the regional office to the concession specialist at National Capital East.

The region has been active in undertaking due diligence for a variety of contracts, including condition assessments at Anacostia Marina and environmental audits at Thompson's Boat house, Belle Haven and the Rock Creek Tennis Center. Also, the region recently oversaw a major Capital Improvement Project at Columbia Island, including dredging and marina renovations. This region has also been an active participant in the Green Marina and Education Initiatives, a project which focuses on providing concessioners the tools they need to assist them in operating in an environmentally sound way. We have numerous resources that could be of assistance if you are facing these issues. The region also was a key player in the coordination of a regional Public Health Course and probably knows more about bacteria than you would care to comment on. The George Washington Memorial Parkway is kicking off the due diligence for their environmental assessment at Belle Haven Marina. Additionally, the region is playing a key role in determination of the future transit systems within the D.C. monument and memorial core.



Southeast Region

Henry Benedetti, Chief Correspondent



The Southeast Region has been busy executing and planning for their contracts. Over the last six months they have put out eight contracts for services including an equestrian

campground and accommodations, general campgrounds, and retail offerings including fishing and campstores. In the next six months, we have approximately 15 additional contracts being released which include several boat and seaplane contracts. The knowledge and experience we have developed from these contracts can be shared across parks, so please don't hesitate to contact us. Also, the region will be losing Dave Rhinehart to the west as he assumes the Concession position created at Death Valley. Cherrie Brice will be joining the Regional Office from Everglades.

Concession Program Center (CPC)

Art Hutchinson, Chief Correspondent



The CPC wished a fond farewell to a NPSCP institution when Pat O'Mary retired. His commitment and effort on behalf of the program will be missed. Kathy

Fleming will be joining the CPC to provide Contracting guidance and expertise. While this will benefit the CPC, Glen Canyon will have large shoes to fill. Jeannie Short and Pam Lass are working hard to review and input the Annual Financial Reports and Special Accounts into the 2001 database. Richard Jones and Kent Stevens have been spending the last few months developing a standard protocol for Condition Assessments. By working with multiple parties they ensured that the scope of work would meet many stakeholders needs. The first round of condition assessments is being completed, and they are currently reviewing them for contracting compliance. The CPC is also actively working

with PwC in determining due diligence and contracting protocols for Category II and III contracts.



Other NPSCP Initiatives

PL 105-391 encouraged the NPSCP to think about new ways to enhance the efficiency of program activities. In supporting the intent of the Law, several initiatives are underway to both enhance the competencies of NPSCP staff, and enhance core NPSCP business processes.

Category III Contract Training

Dee Highnote, a crack team of NPS/DOI instructors (Kevin Appgar, Laura Shearin, Kathy Fleming, Pam Barkin, and Dennis Wrenn), the American Hotel and Lodging Educational Institute and PwC, spent the late summer and fall developing the first level of contracting curriculum. The first class was held in September in Shepardstown, WV, at the National Conservation Training Center. While the participants were clearly aware of their "guinea pig" status, the initial feedback was that the curriculum, instructors and location were a great start to an important training element for the program. Outside of the class instruction time, participants held a live auction of assorted NPS Park items that raised over \$1,000, all of which was contributed to the family of a NPS staff member injured in an accident at Glen Canyon. The second version of this training is planned for the spring of 2003.

Northern Arizona University Educational Initiative

As a way for employees in the National Park Service (NPS) Concession Program to advance their skills in Concession Management, a cooperative agreement has been established with Northern Arizona University, School of Hospitality (NAU) and the WASO Concession Program. The objective of this program is to provide a hospitality management curriculum that will enable NPS employees to achieve competencies needed to perform



their jobs effectively and to improve the accountability and professionalism within the NPS Concession Program workforce.

This multi-year program involves 420 hours of course study that is based on NAU School of Hospitality core hospitality curriculum. The curriculum represents the required competencies for all NPS employees with concession management responsibilities. The following courses are offered:

- Business Law
- Hospitality Industry Managerial Accounting
- Hospitality Industry Management
- Management Skills/Leadership
- NPS Concession Law/Regulations
- NPS Concession Policies & Procedures

Using the World Wide Web, all modules are delivered on line at each participant's workplace and are supplemented by interaction with NAU faculty over the web, e-mail, fax, and telephone.

There are two cohorts of NPS participants currently enrolled in the program. The first group of 20 began in September 2001 and will graduate in May of 2003. The second cohort of 12 began in January, 2002.

Evaluation Standards and Rate Approval

Under the leadership of Dee Highnote and with participation from Rick Wyatt and Robbie Brockwehl, PwC undertook a review of the National Park Service Concession Program's Evaluation Standards and Rate Approval Processes. This report involved extensive research regarding how the private sector sets standards, undertakes property evaluations and establishes prices. It included a one-day working session with the American Automobile Association and the American Hotel and Lodging Association to discuss how private sector evaluations standards are determined and implemented.

The second phase of this engagement was a NPSCP, Concessioner and PwC working session in San Francisco which developed preliminary classifications and base standards for four asset classes (lodging, food and beverage, retail and marina). The next stage will be to refine the work completed in San Francisco and to test the classifications and standards with the public through a series of focus groups. The working group anticipates reporting its preliminary findings to the Concession Advisory Board in March 2003 in Washington, D.C.

Concession Advisory Board

Sherrill Watson, Chief Correspondent

Over the last six months, two meetings of the Concession Advisory Board have occurred. One occurred in February in Washington, D.C. and the other was held in October in Yosemite. The meeting in Washington, D.C. focused on an update on Contracting initiatives as well as an extensive meeting on Handcrafts. The Yosemite meeting included an update on Contracting, a review of PwC's work on the Evaluation Standards and Rate Approval Processes, a discussion of GAO's preliminary findings on Cooperating Associations and Concessioners, a discussion of Handcraft Regulations, and Reappointment of new Concession Advisory Board members. Minutes on the Meeting will be available on the Concessions Program site of the NPS. The next Concession Advisory Board Meeting will be in Washington, D.C. during the first week of March 2003.

Concessioner Outreach and Education

WASO has been actively involved in creating educational seminars for companies potentially bidding on new concession contracts. Over the last six months, three "How to do Business with the NPSCP" sessions have occurred. These sessions outline the process involved in developing a concession contract and include the presentation of a Hypothetical Prospectus for review. Two sessions have been hosted by the National Park Hospitality Association, and another was hosted by the National Parks and Conservation Association, MOSAIC Conference.



Strategic Business Advisor—PwC

Over the course of the last six months, PwC has been assisting the NPSCP on a variety of business based initiatives. The most prominent initiative is PwC's support role to the parks that have contracts grossing over three million dollars. None of this work would be possible without the yeoman's contracting job executed by Vishnu Persaud as the COTR. The current parks PwC is involved with include: Lake Mead, Olympic, Death Valley, Mount Rushmore, Rocky Mountain, Yellowstone, Everglades, Glacier, Mesa Verde, Statue of Liberty, Grand Teton and Grand Canyon. Over the spring and summer, PwC undertook site visits and completed contracting scenario analyses for several of these parks.

The preliminary feedback received from the parks has been that the working relationship has proven valuable to both parties. PwC will continue to assist these parks in the development of their prospectuses.

PwC is assisting the CPC in several areas. They are currently working with Dennis Wrenn and Art Hutchinson to review the current Insurance requirements within contracts. Additionally, they have reviewed the current process for establishing franchise fees for contracts below \$500,000. In conjunction with Barclay Trimble, Jill Morgan, Vicki Walker and Bob Hyde, they have reviewed current procedures, analyzed the private sector methods for establishing franchise fees, interviewed other federal land management agencies, and measured the impact of potential changes to the NPSCP, as well as the concession community. They will be providing recommendations for a new approach by January.



New Ideas

This area will be dedicated to anything new and different that you may want to share with your colleagues. For the first series, we will highlight the concept of "incentivizing" (performance based contracting) offerors to achieve a park goal or objective.

The example provided came from the recently awarded Denali Bus Prospectus. The goal of the Park was to enhance visitor satisfaction particularly in the area of service delays or interruptions due to bus breakdowns. The following question is an example of a secondary selection factor.

"Please provide a financial incentive program that promotes bus fleet dependability to be incorporated into the contract."

Responses could include:

Driver/Naturalist: A season ending pool of \$x,000 dollars for all drivers who have had an incident free season.

Bus Fleet Mechanics: A pool of \$x00 dollars per day shared by all mechanics for all in-season days without a breakdown or equipment failure.

The concept of creating incentives for positive behavior is one that many external stakeholders of NPSCP encourage. Brainstorm ways that you can do this to achieve your park's goals.



Industry Data

This section will focus on introducing current research on trends which affect concession operations. The following information is from the National Survey on Recreation and the Environment, which is a comprehensive ongoing survey on the American public's recreation habits. We have provided information on both land and water based activities.

**Table 1:**

Percent and number of people 16 years and older in the U.S. participating in land-resource-based outdoor activities, 1999-2001.

Activity	Percent of Population 16 and Older	# in Millions
Trail/Street/Road Activities		
Bicycling	39.7	82.3
Mountain Biking	21.5	44.6
Walking	83.1	172.3
Horse Riding & Equestrian	9.8	20.3
Hiking	33.2	68.8
Team Sports Activities		
Softball, Soccer, Baseball, etc.	22.9	47.5
Backpacking & Camping		
Backpacking	10.7	22.2
Developed Camping	26.2	54.3
Primitive Camping	15.9	32.9
Visit a Wilderness or Primitive Area	32.8	68.0
Gather Mushrooms, Berries or Other Natural Products	28.5	59.1
Viewing & Learning Activities		
Visiting a Nature Center, Nature Trail or Zoo	57.4	119.0
Visiting a prehistoric or Archaeological Site	21.0	43.5
Visit a Historic Site	46.3	96.0
Viewing & Photographing Activities		
Bird-Watching	32.5	67.4
Viewing Other Wildlife	44.7	92.7
Viewing Wildflowers & Natural Vegetation	45.1	93.5
Viewing Natural Scenery	60.4	125.2
Hunting		
Big Game	8.4	17.4
Small Game	7.3	15.1
Waterfowl	2.4	4.9
Driving for Pleasure & Sightseeing		
Sightseeing	52.1	108.0
Driving for Pleasure Through Natural Scenery	51.1	106.8
Off-Road 4-Wheel Driving, ATV or Motorcycle	17.5	36.3
Traditional Social Activities		
Family Gathering	73.6	152.6
Picnicking	54.7	113.4

Table 2:

Percent and number of people 16 years and older in the U.S. participating in water-resource-based outdoor activities, 1999-2001.

Activity	Percent of Population 16 and Older	# in Millions
Boating/Floating/Sailing		
Sailing	5.1	10.6
Canoeing	9.7	20.1
Kayaking	3.4	7.1
Rowing	4.4	9.1
Motor-Boating	24.6	51.0
Water Skiing	8.1	19.7
Jet skiing	9.5	19.7
Floating, Rafting	9.5	19.7
Sailboarding/Windsurfing	0.8	1.7
Surfing	1.6	3.3
Fishing		
Freshwater	29.4	60.9
Coldwater	13.5	27.9
Warmwater	22.6	46.8
Saltwater	10.4	21.6
Migratory Ocean-to-Freshwater	4.4	9.1
Swimming		
Swimming/Lake, River, Ocean	42.1	87.3
Swimming in Freshwater	27.4	56.8
Swimming in Saltwater	25.1	52.0
Snorkeling	6.7	13.9
Scuba	1.8	3.7
Visit a Beach	40.4	83.7
Visit a Waterside	26.2	54.3

Table 3:

Percent and number of people 16 years or older in the U.S. participating in snow and ice-resources-based activities, 1999-2001.

Activity	Percent of Population 16 and Older	# in Millions
Snow and Ice Activities		
Downhill Skiing	8.5	17.6
Snowboarding	4.9	10.2
Cross Country Skiing	3.8	7.9
Snowmobiling	5.6	11.6

Source: 1999-2001 National Survey on Recreation and the Environment, USDA Forest Service and the University of Tennessee, Knoxville, Tennessee. The NSRE 2000-1 is the most recent of the series of National Recreation Survey series begun nationally in 1960.

Photograph Key



Denali
National Park & Preserve
Located near Denali Park, AK



Acadia
National Park
Located in Bar Harbor, ME



Lake Mead
National Recreation Area
Located in the Mojave Desert, AZ, NV



Anacostia
Park
*in National Capital Parks-East
Located in Washington, DC*



Glen Canyon
National Recreation Area
*Located in Glen Canyon National
Recreation Area, AZ, UT*



Dry Tortugas
National Park
Located in Key West, FL



Mount Rushmore
National Memorial
Located in Keystone, SD



Rocky Mountain
National Park
*Located near Estes Park and
Grand Lake, CO*



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